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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

Case No. 08-13555-jmp

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In the Matter of:

LEHMAN BROTHERS HOLDING INC., ET AL.,

Debtors.

- - - - -x

U.S. Bankruptcy Court  
One Bowling Green  
New York, New York

April 28, 2011  
10:02 AM

B E F O R E:  
HON. JAMES M. PECK  
U.S. BANKRUPTCY JUDGE

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Debtors' Second Omnibus Objection to Claims (Amended and  
Superseded Claims)

Debtors' Thirty-Fourth Omnibus Objection to Claims  
(Misclassified Claims)

Debtors' Fifty-Sixth Omnibus Objection to Claims (Valued  
Derivative Claims)

Debtors' Seventy-First Omnibus Objection to Claims (Valued  
Derivative Claims)

Debtors' Eighty-Fourth Omnibus Objection to Claims (Valued  
Derivative Claims)

Debtors' Ninety-Fourth Omnibus Objection to Claims (Duplicative  
of Indenture Trustee Claims)

Debtor's Ninety-Seventh Omnibus Objection to Claims  
(Insufficient Documentation)

Debtors' One Hundred Second Omnibus Objection to Claims  
(Foreign Currency Claims)

1 Debtors' One Hundred Third Omnibus Objection to Claims (Valued  
2 Derivative Claims)  
3  
4 Debtors' One Hundred Fourth Omnibus Objection to Claims  
5 (Settled Derivative Claims)  
6  
7 Debtors' One Hundred Fifth Omnibus Objection to Claims (Settled  
8 Derivative Claims)  
9  
10 Debtors' One Hundred Sixth Omnibus Objection to Claims (Amended  
11 and Superseded Claims)  
12  
13 Debtors' One Hundred Seventh Omnibus Objection to Claims  
14 (Duplicative Claims)  
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16 Debtors' One Hundred Eighth Omnibus Objection to Claims  
17 (Duplicative of Trustee / No Liability Claims)  
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19 Debtors' One Hundred Tenth Omnibus Objection to Claims (Pension  
20 Claims)  
21  
22 Debtors' One Hundred Eleventh Omnibus Objection to Claims (No  
23 Liability Claims)  
24  
25 Debtors' One Hundred Twelfth Omnibus Objection to Claims

1 (Invalid Blocking Number LPS Claims)

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3 Debtors' One Hundred Thirteenth Omnibus Objection to Claims (No  
4 Liability Insurance Claims)

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6 Debtors' One Hundred Fourteenth Omnibus Objection to Claims (No  
7 Liability LPS Claims)

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9 Debtors' One Hundred Fifteenth Omnibus Objection to Claims (No  
10 Liability Claims)

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12 Debtors' One Hundred Sixteenth Omnibus Objection to Claims (No  
13 Liability Derivative Claims)

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15 Debtors' Seventy-Second Omnibus Objection to Claims (Amended  
16 and Superseded Claims)

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A P P E A R A N C E S :

WEIL, GOTSHAL & MANGES, LLP

Attorneys for Debtors

767 Fifth Avenue

New York, NY 10153

BY: MELISSA COLON-BOSOLET, ESQ.

ERIC DAVID KASENETZ, ESQ.

WEIL, GOTSHAL & MANGES, LLP

Attorneys for Debtors

200 Crescent Court

Suite 300

Dallas, TX 75201

BY: ERIN D. ECKOLS, ESQ.

SARAH MOORE DECKER, ESQ.

MILBANK, TWEED, HADLEY & MCCLOY LLP

Attorneys for Official Committee of Unsecured Creditors

One Chase Manhattan Plaza

New York, NY 10005

BY: DENNIS C. O'DONNELL, ESQ.

BRADLEY SCOTT FRIEDMAN, ESQ.

CHAPMAN AND CUTLER LLP

Attorneys for U.S. Bank

111 West Monroe Street

Chicago, IL 60603

BY: FRANKLIN H. TOP, III, ESQ. (TELEPHONIC)

ALSO PRESENT:

MICHAEL A. GRAN, In Propria Persona (Telephonic)

CHRISTINA KIM, In Propria Persona (Telephonic)

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P R O C E E D I N G S

THE COURT: Be seated. Good morning.

MS. COLON-BOSOLET: Good morning, Your Honor. My name is Melissa Colon-Bosolet with Weil, Gotshal here on behalf of the debtors.

We have twenty-two items going forward today, only one on a contested basis. We're going to take some of them out of order, assuming it's okay with you, to avoid as many people getting up as possible.

THE COURT: That's fine.

MS. COLON-BOSOLET: I'm going to address agenda item number 3, the debtors' fifty-sixth omnibus objection, agenda item number 4, the debtors' seventy-first omnibus objection, agenda item number 5, the debtors' eighty-fourth omnibus objection, and agenda item number 9, the debtors' hundred and third omnibus objection. All of these are going forward on an uncontested basis.

THE COURT: All right.

MS. COLON-BOSOLET: With respect to the fifty-sixth omnibus objection, since the original claims hearing on November 10th, debtors have successfully settled with an additional counterparty, Astrea LLC, and we have a proposed supplemental order reducing these claims in the settled amount. We respectfully request that Your Honor would grant our supplemental order on debtors' fifty-sixth omnibus objection.

1 THE COURT: That will be granted.

2 MS. COLON-BOSOLET: Thank you. With respect to the  
3 seventy-first omnibus objection, since the original claims  
4 hearing on January 20th, debtors have successfully settled with  
5 one additional counterparty, Teva Pharmaceutical Industrial,  
6 Limited, and we have a proposed supplemental order reducing  
7 these claims in the settled amount. We respectfully request  
8 that Your Honor grant our supplemental order on the seventy-  
9 first omnibus objection, reducing and allowing this claim.

10 THE COURT: That will be granted, as well.

11 MS. COLON-BOSOLET: With respect to the eighty-fourth  
12 omnibus objection, since the original claims hearing on March  
13 3rd, debtors have successfully settled with another additional  
14 counterparty, SBA Communications Corporation, and we have a  
15 proposed supplemental order in that amount. And we  
16 respectfully request that Your Honor grant the order on  
17 debtors' eighty-fourth omnibus objection.

18 THE COURT: That will be granted.

19 MS. COLON-BOSOLET: Thank you. Turning now to the  
20 103rd omnibus, Your Honor, the debtors are seeking to reduce  
21 and allow a total of forty claims relating to twenty-seven  
22 counterparties. Twenty-five of these counterparties failed to  
23 file any response and debtors seek to reduce and allow the  
24 thirty-six claims that pertain to the twenty-five  
25 counterparties on an uncontested basis.



1 In addition, debtors have successfully settled with  
2 two other counterparties: Nestle in the USA Pension Trust and  
3 Nestle USA. And we're seeking to reduce and allow those four  
4 amounts in the agreed settlement amount.

5 There are nine remaining claims which belong to five  
6 counterparties. These counterparties either filed timely  
7 responses or were granted extensions to the response deadline  
8 by debtors. Settlement discussions have begun with a number of  
9 the counterparties. Debtors respectfully request that this  
10 Court adjourn the hearing as to those nine claims until the  
11 June 2nd, 2011 hearing so that we may try to resolve these  
12 claims as soon as possible.

13 We have an order for both the reductions and the  
14 adjournments, and respectfully request that Your Honor grant  
15 debtors' 103rd omnibus reducing and allowing the forty claims  
16 and adjourning the nine claims.

17 THE COURT: Granted.

18 MS. COLON-BOSOLET: Thank you. If you have no  
19 questions, Your Honor, I'm going to turn the podium over to my  
20 colleague, Sarah Decker. We have a pro hac vice application on  
21 file for her, and she's going to address agenda items 10  
22 through 13.

23 THE COURT: All right, that's fine.

24 MS. COLON-BOSOLET: Thank you.

25 MS. DECKER: Good morning, Your Honor. Sarah Decker

1 with Weil, Gotshal for the debtors.

2 THE COURT: Good morning.

3 MS. DECKER: I'll be covering agenda items 10 through  
4 13 in the uncontested matters section of today's agenda.

5 Agenda item number 10 is the 104th omnibus objection.  
6 That objection seeks the modification and allowance of claims  
7 for which the parties have either reached an agreement with  
8 respect to the claim amount, the classification, or the debtor  
9 entity, and that agreement is not reflected on the claimant's  
10 proof of claim. The omnibus objection is seeking to modify  
11 those claims to conform to the parties' agreement.

12 We are proceeding on an uncontested basis this  
13 morning, and the debtors respectfully request that the Court  
14 grant the 104th omnibus objection to claims.

15 THE COURT: The 104th omnibus objection is granted.

16 MS. DECKER: Thank you.

17 Agenda item number 11 is the 105th omnibus objection.  
18 That objection seeks the disallowance and expungement of  
19 derivative claims that have been settled between the parties  
20 with either a payment to the debtors or with no amounts being  
21 due between the parties. The 105th omnibus objection seeks to  
22 expunge those claims as necessary to effectuate the parties'  
23 agreement.

24 The debtors respectfully request that the Court grant  
25 the 105th omnibus objection to claims.

1 THE COURT: The 105th omnibus objection to claims is  
2 granted.

3 MS. DECKER: Thank you.

4 Agenda item number 12 is the 106th omnibus objection.  
5 That objection seeks to disallow and expunge claims that were  
6 amended and superseded by subsequently filed claims. This  
7 matter is going forward on an uncontested basis only, this  
8 morning.

9 The debtors did receive two responses to the 106th  
10 omnibus objection. The first response was by Great Bay  
11 Condominium Owners, and the objection to that claim has been  
12 adjourned while the parties work towards a resolution.

13 The second response was filed by Friedrich and Erika  
14 Mohnle. Their response stated only that they have no objection  
15 to the relief sought in the 106th omnibus.

16 Accordingly, the debtors respectfully request that the  
17 Court grant the 106th omnibus objection as to those uncontested  
18 claims.

19 THE COURT: The 106th omnibus objection is granted.

20 MS. DECKER: The last item I will address this morning  
21 is item number 13. It is the 107th omnibus objection. That  
22 objection seeks to disallow and expunge claims that are  
23 duplicative, either exactly or in substance, of other claims  
24 filed by the same claimant on the claims register. We are  
25 uncontested on the 107th omnibus objection, and the debtors

1 respectfully request that the Court grant the 107th.

2 THE COURT: The 107th omnibus objection to claims is  
3 granted.

4 MS. DECKER: Thank you, Your Honor.

5 With that, I'll turn the podium over to Eric Kasenetz.  
6 Eric has both contested and uncontested items this morning  
7 beginning with item number 2 on the agenda.

8 THE COURT: Okay, thank you.

9 MS. DECKER: Thank you.

10 MR. KASENETZ: Good morning, Your Honor. Eric  
11 Kasenetz, Weil, Gotshal & Manges on behalf of the Lehman  
12 Chapter 11 debtors.

13 I'm actually going to address certain uncontested  
14 items on the agenda, items 2, 7, and 15 through 21.

15 Beginning with agenda item 2, the thirty-fourth  
16 omnibus objection seeks to reclassify certain secured claims as  
17 general unsecured claims. The debtors are going forward today  
18 with respect to one carryover claim filed ING Belgium. The  
19 debtors have determined that such claim does not articulate any  
20 valid basis for treatment as a secured claim. ING filed a  
21 response reserving certain rights. The debtors have resolved  
22 the issues with ING and are moving forward on an uncontested  
23 basis as to this claim. As requested by ING, the debtors would  
24 like to confirm that the reclassification of ING's claim  
25 pursuant to the objection does not prejudice ING's right to

1 argue that certain collateral is not part of the debtors'  
2 estate and to seek to recover such collateral.

3 Accordingly, the debtors respectfully request the  
4 Court grant the thirty-fourth omnibus objection as to the claim  
5 of ING.

6 THE COURT: The thirty-fourth omnibus objection as to  
7 the claim of ING is granted subject to the qualifications that  
8 you stated on the record.

9 MR. KASENETZ: Thank you, Your Honor.

10 Agenda item number 7, the ninety-seventh omnibus  
11 objection to claims, seeks to disallow and expunge certain  
12 claims for alleged damages sustained by claimants related to  
13 residential mortgage loans acquired from the debtor.

14 The claims subject to this objection do not include  
15 documentation that would enable the debtors to evaluate such  
16 claims. As a result, such claims are not prima facie valid.  
17 The debtors, multiple times, have reached out to these parties  
18 to attempt to acquire such information. These claims have not  
19 included any details or documentation supporting the existence  
20 of a debt as required by the bar date order, and the debtors  
21 believe they have no liability with respect to these claims.

22 The ninety-seventh omnibus objection to claims was  
23 previously heard and granted as to certain claims.

24 Your Honor, the response deadline for Deutsche Bank  
25 National Trust Company was extended for claims 18515, 18516,

1 18517, and 18518. The response deadline for these claims has  
2 since expired, and the debtors have received no responses or  
3 additional information with respect to these claims.

4 Accordingly, the objection to these claims is uncontested and  
5 the debtors respectfully request that the Court grant the  
6 ninety-seventh omnibus objection.

7 THE COURT: The ninety-seventh omnibus objection to  
8 claims is granted on an uncontested basis.

9 MR. KASENETZ: Thank you, Your Honor.

10 Moving to agenda item 15, which is the 110th omnibus  
11 objection to claims, this objection seeks to disallow and  
12 expunge certain claims based upon pension benefits allegedly  
13 owing by the debtors to former employees of the Lehman  
14 enterprise.

15 Pursuant to ERISA and a settlement with the Pension  
16 Benefit Guaranty Corporation, the debtors have no liability for  
17 any pension-related obligations, and thus no liability for  
18 these claims. Under the PBGC settlement, the LBHI retirement  
19 plan was terminated, and the PBGC assumed full responsibility  
20 to pay pension benefits in accordance with ERISA. The  
21 settlement provided that LBHI was only liable to the PBGC for  
22 unfunded benefit liabilities. Consequently, none of the  
23 debtors are liable to any other party for claims arising under  
24 the terminated LBHI retirement plan.

25 The debtors have adjourned all unresolved responses

1 and are proceeding on an uncontested basis. The debtors  
2 respectfully request the Court grant the 110th omnibus  
3 objection.

4 THE COURT: The 110th omnibus objection is granted on  
5 an uncontested basis.

6 MR. KASENETZ: Thank you, Your Honor.

7 Next on the agenda is item 16, the debtors 111th  
8 omnibus objection to claims. This objection seeks to disallow  
9 and expunge claims filed against the debtors based upon alleged  
10 wrongdoing by entities which are not debtors in these Chapter  
11 11 cases and for which the debtors are not liable. In  
12 particular, some of these claims are based on alleged actions  
13 of LBI. LBI is a separate legal entity and not a debtor in  
14 these Chapter 11 cases. Many of these claims are related to  
15 pending litigations in which the debtors are not defendants.  
16 As such, no liability of the debtors could possible arise from  
17 such proceedings.

18 The debtors have adjourned all unresolved responses  
19 and are proceeding on an uncontested basis. Accordingly, the  
20 debtors respectfully request the Court grant the 111th omnibus  
21 objection.

22 THE COURT: The 111th omnibus objection is granted.

23 MR. KASENETZ: Thank you, Your Honor.

24 Moving to agenda item number 17, which is the debtors'  
25 112th omnibus objection to claims, this objection seeks to

1 disallow and expunge Lehman Program Securities claims that  
2 violate the bar date orders requirement that such claims  
3 include a valid electronic instruction reference number or  
4 blocking reference number. While each of these claims included  
5 a number on the proof of claim in the box designated for  
6 blocking numbers, the debtors, despite their diligent efforts,  
7 have been unable to reconcile each number with any valid  
8 blocking number issued by a clearing agency. Consequently,  
9 these claims do not provide any evidence regarding the  
10 ownership of such securities and do not comply with the bar  
11 date order.

12 The debtors have adjourned all unresolved responses  
13 and are proceeding uncontested. Accordingly, the debtors  
14 respectfully request that the Court grant the 112th omnibus  
15 objection.

16 THE COURT: The 112th omnibus objection is granted.

17 MR. KASENETZ: Thank you, Your Honor.

18 Next on the agenda is item 18, the 113th omnibus  
19 objection to claims, which seeks to expunge and disallow claims  
20 of insurers based upon the insurance policies and related  
21 agreements. The debtors have already paid all premiums and  
22 other charges associated with such policies and do not have any  
23 current or future liability to the insurers under such  
24 policies. Subsequent to the filing of this objection, one  
25 claimant withdrew several claims against the debtors. The



1 debtors have removed those claims from the exhibit to the  
2 order. The debtors have received no formal responses from the  
3 remainder of the claimants and are moving forward on an  
4 uncontested basis.

5 Accordingly, the debtors request the Court grant the  
6 113th omnibus objection.

7 THE COURT: The 113th omnibus objection is granted.

8 MR. KASENETZ: Thank you, Your Honor.

9 Moving to agenda item 19, the 114th omnibus objection,  
10 which seeks to disallow and expunge certain claims for losses  
11 on securities that were neither issued nor guaranteed by any of  
12 the debtors in these Chapter 11 cases. The debtors have no  
13 liability for these claims, no responses have been received  
14 from the claimants. Accordingly, the debtors request the Court  
15 grant the 114th omnibus objection.

16 THE COURT: The 114th omnibus objection is granted.

17 MR. KASENETZ: Thank you, Your Honor.

18 Next on to agenda 20, the 115th omnibus objection. In  
19 this objection, the debtors are seeking to disallow and expunge  
20 certain claims filed by holders with which the debtors have no  
21 contractual relationship, privity, or other obligation to the  
22 claimants, and therefore have no liability for the claims.

23 The claims subject to this objection were filed by  
24 holders of warrants issued by the Malachite 2006-1 Trust, which  
25 is a special purpose vehicle formed to hold shares in a certain

1 fund and issue warrants to investors. Lehman Brothers Finance  
2 S.A., Netherlands branch, or LBFSA, an affiliate of the  
3 debtors, is party to a swap agreement with Malachite and  
4 guaranteed a minimum return on the fund shares to Malachite.  
5 LBHI issued a guarantee to Malachite of LBFSA's payment  
6 obligations under the swap agreement. The warrant holders are  
7 not parties to the swap agreement or the guarantee. Therefore,  
8 the debtors have no contractual relationship with, and thus no  
9 liability to, the warrant holders.

10 Your Honor, it has come to the debtors' attention that  
11 four of the claims on the objection include claims for  
12 securities other than the warrants. The debtors do not object  
13 to those claims at this time. As a result, the language has  
14 been added to the order clarifying that the order only relates  
15 to the Malachite warrants.

16 Your Honor, I have a blackline copy of the revised  
17 proposed order that reflects the clarifying language. Would  
18 you like to see the proposed changes?

19 THE COURT: Please.

20 MR. KASENETZ: May I approach?

21 THE COURT: Yes. Thank you.

22 MR. KASENETZ: There was one response filed, and the  
23 debtors have adjourned that objection while the claimant  
24 continues to consider the objection. This matter is going  
25 forward on an uncontested basis only.

1           The debtors request that the Court grant the 115th  
2 omnibus objection.

3           THE COURT: The objection is granted pursuant to the  
4 order that includes the blackline language that you've just  
5 shown me.

6           MR. KASENETZ: Thank you, Your Honor.

7           Item 21 on the agenda is the 116th omnibus objection.  
8 This objection seeks to expunge and disallow certain claims  
9 based on derivative contracts with the debtors because such  
10 claims provide no basis of liability as to the debtors. After  
11 a review of the claimants' supporting documentation and the  
12 debtors' books and records, the debtors have determined that  
13 based on the fair, accurate, and reasonable values of the  
14 subject derivative contracts and the netting provisions  
15 thereunder, the debtors do not own any amounts to the claimants  
16 subject to this objection, but rather, in most cases, the  
17 respective claimants owe money to the debtors based on such  
18 derivative contracts.

19           The debtors have consensually resolved the objection  
20 with two claims. No formal responses have been received.  
21 Accordingly, this objection is going forward on an uncontested  
22 basis, and the debtors respectfully request the Court grant the  
23 116th omnibus objection.

24           THE COURT: The 116th omnibus objection to claims is  
25 granted.

1 MR. KASENETZ: Thank you, Your Honor. And at this  
2 point, I will turn the podium over to my colleague, Erin  
3 Eckols, to continue with the remainder of the agenda.

4 THE COURT: All right, thank you very much.

5 MS. ECKOLS: Good morning, Your Honor. Erin Eckols  
6 for the debtors.

7 THE COURT: Good morning.

8 MS. ECKOLS: I will be finishing out the agenda items  
9 today which will be agenda items 1, 6, 8, 14, and 22; 22 is the  
10 lone contested matter going forward today.

11 Starting with agenda item 1 which is this carryover  
12 item from the second omnibus objection. The second omnibus  
13 objection seeks to disallow and expunge claims that were  
14 amended and superseded by other claims filed by the same  
15 claimant.

16 Today we are proceeding on an uncontested basis as to  
17 claim 1439 by OMX Timber Finance Investments II, LLC. OMX  
18 Timber's counsel requested modification to the language of the  
19 proposed order to further clarify that the surviving claim,  
20 17120, would relate back to the date of the corresponding  
21 original claim that was being expunged. Language to that  
22 effect was already in the proposed order, and the debtors agree  
23 to OMX Timber's requested modification of that language to  
24 expressly state that the surviving claim would be deemed filed  
25 as of the date of the original claim. And Your Honor, I do

1 have a redline copy showing the negotiated language, if you  
2 would like to see it.

3 THE COURT: Sure, I'll take a look at it.

4 MS. ECKOLS: May I approach?

5 THE COURT: Yes.

6 MS. ECKOLS: Your Honor, the relevant negotiated  
7 language has been highlighted.

8 THE COURT: I see it. It's fine.

9 MS. ECKOLS: Having reached agreement with OMX Timber,  
10 the debtors respectfully request that the Court grant the  
11 second omnibus objection as to claim 1439.

12 THE COURT: That objection is granted as to the claim  
13 you have identified of OMX Timber Finance Investments II, LLC.

14 MS. ECKOLS: Thank you.

15 Moving to agenda item number 6, this is a carryover  
16 item from the ninety-fourth omnibus objection which Your Honor  
17 previously granted. The ninety-fourth omnibus objection seeks  
18 to disallow and expunge individual noteholder claims that are  
19 duplicative of the claims filed by Wilmington Trust and/or Bank  
20 of New York Mellon as indenture trustee for those notes.

21 The debtors are proceeding today as to claim 8218,  
22 submitted by Sandra Kern. Ms. Kern's claim seeks to recover  
23 for securities identified with the CUSIP 52520X208. The Bank  
24 of New York Mellon, in its capacity as indenture trustee, filed  
25 claim 21803 on behalf of the holders of those same securities.

1 Accordingly, Ms. Kern's claim is duplicative of that indenture  
2 trustee claim.

3 Ms. Kern filed a response to the ninety-fourth omnibus  
4 objection and the debtors reached out to her in an effort to  
5 resolve that response. Ms. Kern is now in agreement that her  
6 securities are covered by the Bank of New York Mellon claim  
7 21803 and it is our understanding that she no longer opposes  
8 the ninety-fourth omni.

9 Accordingly, the debtors are proceeding uncontested as  
10 to Ms. Kern's claim and respectfully request that the Court  
11 grant the ninety-fourth omnibus objection as to Ms. Kern's  
12 claim 8218.

13 THE COURT: The ninety-fourth omnibus objection is  
14 granted as to the claim of Sandra Kern.

15 MS. ECKOLS: Thank you, Your Honor.

16 Moving to agenda item number 8, the 102nd omnibus  
17 objection, the agenda shows that there is one unresolved  
18 response that was actually resolved late last night after the  
19 agenda was filed, so we are proceeding uncontested today as to  
20 all claims that were on the omnibus objection except for those  
21 claims for which the objection has been withdrawn.

22 The 102nd omnibus objection seeks to disallow and  
23 expunge claims that violate this Court's bar date order as they  
24 were submitted in foreign currency, as opposed to U.S. dollars.  
25 The debtors received several informal and formal responses, all

1 of which have been resolved.

2 Accordingly, the debtors are proceeding uncontested  
3 and respectfully request that the Court grant the debtors'  
4 102nd omnibus objection.

5 THE COURT: The 102nd omnibus objection to claims is  
6 granted.

7 MS. ECKOLS: Thank you, Your Honor.

8 Moving to agenda item 14, which is the 108th omnibus  
9 objection to claims, this objection seeks to disallow and  
10 expunge claims filed by holders of certain notes issued by  
11 Sapphire Finance, PLC for two separate but related reasons:  
12 first, because the claims are duplicative of the claim filed by  
13 Bank of New York Corporate Trust Services as trustee under a  
14 principal trust deed seeking to recover on those notes, and  
15 second, because the debtors have no contractual relationship  
16 with the individual noteholders. This objection is the same as  
17 the debtors' seventy-eighth omnibus objection that Your Honor  
18 previously granted, but instead of claims for notes issued by  
19 Topaz Finance Limited, today we are proceeding as to claims  
20 filed by individual holders of notes issued by Sapphire.

21 Briefly, Bank of New York entered into a principal  
22 trust deed in connection with the multi-issuer secured  
23 obligation program. Sapphire is a special purpose entity  
24 created under that program. Sapphire and LBSF, Lehman Brothers  
25 Special Financing, entered into a swap agreement that was

1 guaranteed by Lehman Brothers Holdings Inc. The individual  
2 noteholders were not parties to that swap agreement or  
3 guarantee. Bank of New York filed its claim as trustee on  
4 behalf of Sapphire and to protect the interest of the  
5 noteholders seeking to recover for those same notes. Under the  
6 principal trust deed, Bank of New York is permitted to act on  
7 behalf of Sapphire for the benefit of the individual holders  
8 and is the proper party to prosecute claims related to those  
9 notes. Thus, the individual noteholder claims are  
10 substantively duplicative of the Bank of New York claim.

11 In addition, because the noteholders are not parties  
12 to the swap agreement or guarantee between the applicable  
13 debtor and Sapphire, they do not have a contractual  
14 relationship with the debtors. Lacking a contractual  
15 relationship with the debtors, the individual noteholders do  
16 not have an enforceable right to payment against the debtors,  
17 and thus the debtors have no liability on the individual  
18 noteholder claims.

19 The debtors did not receive any responses to the 108th  
20 omnibus objection. And for the two reasons discussed, the  
21 individual noteholder claims should be disallowed and expunged.  
22 Accordingly, the debtors respectfully request that the Court  
23 grant the 108th omnibus objection to claims.

24 THE COURT: The 108th omnibus objection to claims is  
25 granted.



1 MS. ECKOLS: Thank you, Your Honor.

2 Now moving to the only contested matter on today's  
3 agenda, which is agenda item 22, this is a carryover item from  
4 the seventy-second omnibus objection which Your Honor  
5 previously granted. The seventy-second omnibus objection seeks  
6 to disallow and expunge claims that were amended and superseded  
7 by other claims filed by the same claimant in these cases.

8 Today, we are proceeding as to claim 2940 of Chan Lai  
9 Chun Betty. The debtors objected to claim 2940 on the basis  
10 that it was amended and superseded by claim 47514 also  
11 submitted by Chan Lai Chun Betty. The claims are both seeking  
12 to recover for the same Lehman Program Security, and it appears  
13 that the later claim was submitted to provide the blocking  
14 number that was required for Lehman Program Securities pursuant  
15 to this Court's bar date order.

16 Chan Lai Chun Betty filed a formal response. Her  
17 response does not address the merits of the seventy-second  
18 omnibus objection but states that the documentation she has  
19 submitted should establish the validity of her claims. We have  
20 asked Ms. Chan Lai Chun Betty multiple times to advise whether  
21 she continues to oppose the relief sought in the seventy-second  
22 omnibus objection, but we have received no communication from  
23 her. In our last correspondence, the debtors advised her that  
24 we would be proceeding at today's hearing on the assumption  
25 that she continued to oppose the seventy-second omnibus

1 objection. The debtors did not receive any response from her.

2 As discussed, Chan Lai Chun Betty's claims both seek  
3 to recover for the same security, and her later claim, 47514,  
4 provides the blocking number that was missing from her original  
5 claim. To prevent duplicative recovery and maintain a more  
6 accurate claims register, her original claim, 2940, should be  
7 disallowed and expunged. Accordingly, the debtors respectfully  
8 request that the Court grant the seventy-second omnibus  
9 objection as to Chan Lai Chun Betty's claim 2940.

10 THE COURT: Let me inquire if Chan Lai Chun Betty is  
11 on the telephone or in court or if anyone acting on her behalf  
12 is on the telephone or in court.

13 I hear no response. This is unopposed at the moment.

14 I've reviewed the written response of Chan Lai Chun  
15 Betty which is simply a handwritten statement, and it's  
16 unavailing. As a result, to the extent it's an objection to  
17 the relief being sought here, it's overruled, and the objection  
18 number seventy-two is granted as to this claim.

19 MS. ECKOLS: Thank you, Your Honor.

20 And that concludes the items going forward on today's  
21 agenda.

22 THE COURT: Fine. Thank you and I'll see you on June  
23 2nd. We're adjourned.

24 (Whereupon these proceedings were concluded at 10:29 AM)  
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I N D E X

RULINGS

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Debtors' fifty-sixth omnibus objection	8	1
granted		
Debtors' seventy-first omnibus objection	8	10
granted		
Debtors' eighty-fourth omnibus objection	8	18
granted		
Debtors' 103rd omnibus reducing and allowing	9	17
the forty claims and adjourning the nine		
claims granted		
Debtors' 104th omnibus objection to claims	10	15
granted		
Debtors' 105th omnibus objection to claims	11	1
granted		
Debtors' 106th omnibus objection as to	11	19
uncontested claims is granted		
Debtors' 107th omnibus objection to claims is	12	2
granted		
Debtors' thirty-fourth omnibus objection as	13	6
to the claim of ING is granted subject to		
the qualifications as stated on the record		

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2	claims is granted on an uncontested basis		
3	Debtors' 110th omnibus objection is granted	15	4
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9	Debtors' 113th omnibus objection is granted	17	7
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11	Debtors' 115th omnibus objection granted as	19	3
12	amended		
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14	granted		
15	Debtors' second omnibus objection as to claim	21	12
16	1439 granted		
17	Debtors' ninety-fourth omnibus objection is	22	13
18	granted as to the claim of Sandra Kern		
19	Debtors' 102nd omnibus objection to claims is	23	5
20	granted		
21	Debtors' 108th omnibus objection to claims is	24	24
22	granted		
23	Debtors' seventy-second omnibus objection as	26	17
24	to claim 2940 is granted		
25			

C E R T I F I C A T I O N

I, Dena Page, certify that the foregoing transcript is a true  
and accurate record of the proceedings.

Dena Page

Digitally signed by Dena Page  
DN: cn=Dena Page, c=US  
Reason: I am the author of this document  
Date: 2011.05.02 16:08:34 -04'00'

DENA PAGE

Veritext

200 Old Country Road

Suite 580

Mineola, NY 11501

Date: April 29, 2011